H. J. Heinz Company Annual Report 1967

The paperboard box has been around for a long time, and may remain with us for many decades in the future. More than ever before, it has become to the people of the world a symbol of plenty. More than ever before, Heinz is geared to establish the box with the bold "57" imprinted on its side as a universal symbol of superior worth.

That effort recognizes a new development in international affairs. For H. J. Heinz Company, as for many other corporations, One World is becoming One Market. The economic unity of peoples, in fact, has developed far more rapidly than their progress toward political unity.

Wherever we go, we go not as a tourist, but as a responsible member of the community, bent on permanent residence and offering the promise of jobs, income, and superior products.

We do not seek merely to gather together separate entities with nothing in common save the corporate name. Every Heinz operation, in the United States and abroad, is part of a globe-spanning enterprise. Each has its own problems and its own methods, appropriate to the area in which it functions. But all come within the compass of central planning and direction.

We have one significant advantage. The Heinz reputation for quality and value is known throughout the world. It remains only for us to capitalize on that reputation by making our products more widely available. To do so is a daily concern of the Company's management. Such concern has yielded good results in the past. It promises substantial growth in the future.

Case History

H. J. Heinz Company
1967 Annual Report

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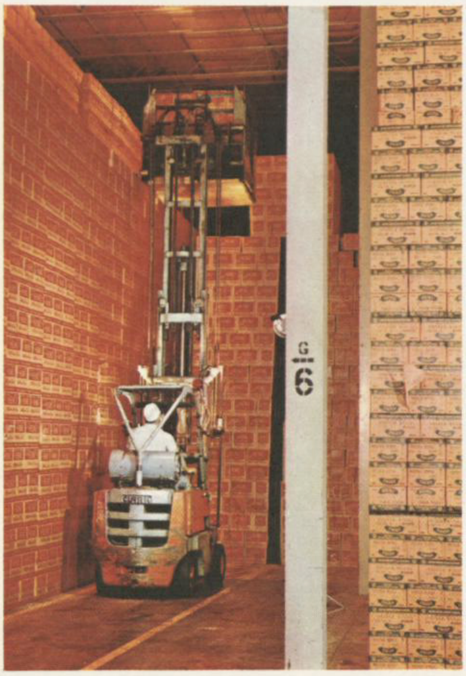
Annual Meeting

The annual meeting of shareholders of the Company will be held at 2 p.m. on Friday, September 8, 1967, at the executive offices in Pittsburgh. Formal notice of the meeting and proxy materials will be sent to shareholders about August 5.



H. J. HEINZ COMPANY
P. O. BOX 57, PITTSBURGH, PA. 15230
AREA CODE 412—231-5700

Financial Highlights

	Fiscal year ended May 3, 1967 (53 weeks)	April 27, 1966 (52 weeks)
Net sales	$ 690,863,071	$ 620,262,649
Income before taxes	37,030,714	35,392,709
Net income for the year:	21,530,281	20,303,895
As percentage of net sales	3.1%	3.3%
Per share of common stock	3.51	3.29
As percentage of shareholders' equity	9.0%	8.9%
Dividends paid on preferred stock	1,534,761	1,361,980
Dividends paid on common stock	6,838,886	7,061,634(1)
Per share of common stock	1.20	1.20
Shareholders' equity	240,548,835	227,332,591
Per share of common stock	34.54(2)	32.23(2)
Working capital at year end	140,680,499	144,000,393
Net income retained in business	13,156,634	11,880,281
Per share of common stock	2.31	2.09
Capital expenditures	31,887,096	25,548,937
Per share of common stock	5.59	4.48
Total taxes charged to income	25,604,709	23,049,297
Per share of common stock	4.49	4.04
Plant assets	198,157,237	181,737,671
Depreciation provision	13,645,525	12,946,828
Per share of common stock	2.39	2.27
Accumulated depreciation	111,476,540	102,979,020
Number of common shareholders at year end	10,767	10,658
Common shares outstanding at year end	5,701,219	5,698,869

(1) Includes $454,526 paid to former owners of Ore-Ida Foods, Inc.

(2) After deducting $100 per share for second cumulative preferred stock outstanding, representing the involuntary liquidation price.

To Our Shareholders

This is the day of the multinational corporation, with all its economic and political implications.

H. J. Heinz Company—which is deeply involved in the global marketplace—long ago established international administration for the purpose of global strategic planning and to implement effective budgetary controls.

Heinz today operates 40 factories in 13 countries and territories. It markets its products in more than 150 countries and territories.

In fiscal 1967 foreign operations produced 68 percent of consolidated net earnings and 48 percent of consolidated net sales. Overall Heinz investment outside the United States continued to grow. Our British affiliate announced its first acquisition. A new Irish company—Heinz-Erin Ltd.—was also formed in conjunction with Erin Foods Ltd. of Dublin. In Japan, we received government approval to acquire majority ownership of Nichiro Heinz Company Ltd. Construction plans progressed for a new Italian plant south of Rome.

It is appropriate, therefore, that Heinz should structure its administration and its planning in global terms rather than in national terms alone. Toward that end, we have taken additional recent steps to organize headquarters management in order to guide and stimulate our worldwide expansion more effectively.

Specifically, we established a corporate development staff headed by a senior vice president. This staff will co-

Henry J. Heinz II, chairman, and R. Burt Gookin, president and chief executive officer.

ordinate the functions of management development and corporate planning among all foreign and domestic affiliates, and will provide the improved direction needed for faster, more effective transfer of technological services.

Within this framework, the managing officer of each affiliated company assumes primary responsibility for the profit goals of his company and for its growth within its geographical area.

We continue to survey world markets to determine where new production facilities can profitably be established. Primary effort is being devoted to expanding our business in the United States and its possessions. Also, attention is being focused on Latin America and Western Europe, which appear to offer additional growth opportunities.

Geographical diversity—which spreads our risks and broadens our ability to capitalize on new opportunities—is contributing substantially to the upward trend in Heinz earnings. Thanks to that diversity, fiscal 1967 earnings showed a healthy advance over 1966, rising six percent on a sales increase of 11 percent. This fourth annual consecutive earnings increase is in keeping with our long-range earnings objectives. Both earnings and sales set new records.

In the United States increases in food prices drew consumer and Congressional attention. Housewives staged retail boycotts and governmental bodies conducted investigations.

In spite of the outcry, the reasons for the increases were clear and inevitable. Inflationary pressures pushed up the costs of labor, most raw products, and many packaging materials.

It should be noted, however, that retail food price increases continued to lag behind increases in the cost of living as a whole. Despite last year's increases the share of family income spent for food in the United States again declined to an all-time low, 18.2 percent.

Food prices also rose in Australia, Canada, Japan and Mexico. They leveled off in Great Britain, primarily due to a governmental wage and price freeze, remained relatively stable in Italy and Venezuela, and declined modestly in Holland.

Meanwhile, competition for the food dollar is mounting. Of the more than 60,000 items available, the average American supermarket has space for only 8,000. Stores are not growing larger, but the number of products available are expanding at an average of ten percent annually. At the same time more food chains are stocking private label products and promoting them more vigorously.

Overseas, marketing is gradually but clearly following the path it has taken in the United States: supermarkets are emerging as the principal food outlet and television is becoming a principal advertising medium.

How has Heinz fared under such conditions? Three years ago, some important product lines of our U.S.A. operating company were lagging in earnings, sales volume and share of market. In fiscal 1967, Heinz-U.S.A. posted gains in both sales and earnings for the third consecutive year. Sales of all major product lines increased.

New administrative and production efficiencies could only partially offset cost increases. Heinz was forced to increase some of its prices, principally for ketchup, pickles and baby food. Additional adjustments in the face of still rising costs may be necessary in fiscal 1968. In one state, for instance, Heinz will pay 11 percent more per ton for tomatoes this year.

Outside the United States, all our affiliated companies, with minor exceptions, are profitable, and we foresee continuing advances.

In summary, we have just completed a fiscal year which reflected continued improvement in the combined sales and earnings of our domestic and international companies. We believe the outlook is favorable, and we fully expect to achieve further gains during fiscal 1968. Today Heinz is a stronger company—operationally, financially and managerially—than ever before. New product introductions during the past two years, intensified cost reduction, improved organization, better planning, and a promising outlook for profitable acquisitions all point to continued progress.

Henry J Heinz II

Chairman of the Board

R. Burt Gookin

President and Chief Executive Officer

Financial Review

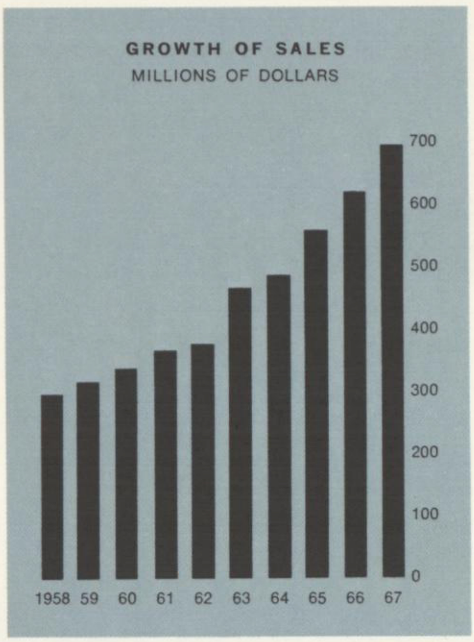
A Record Year—In Both Sales and Earnings

Consolidated net sales and earnings reached new highs for the fourth consecutive year in fiscal 1967. Sales advanced 11.4 percent over fiscal 1966 to $690,863,071. Earnings rose six percent to $21,530,281, or $3.51 per common share, after provision for preferred dividends. Fiscal 1967 covered 53 weeks.

Substantial gains in the fourth quarter accounted for the increase in income for the year. Sales and earnings for the period exceeded the results of any previous fiscal quarter in the Company's history. Sales climbed 19 percent and earnings were up 23 percent from the comparable period last year.

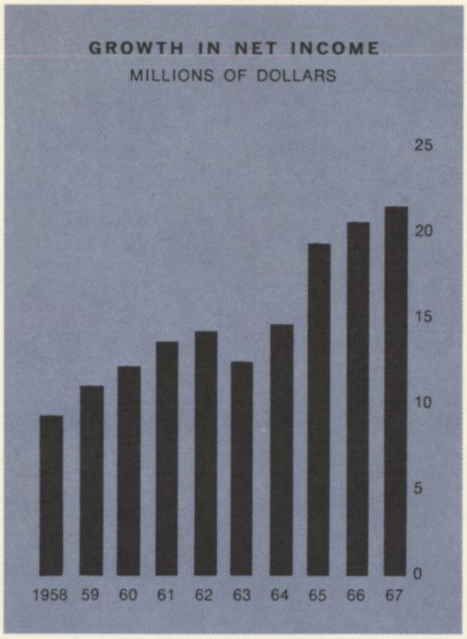
Record results for the year were achieved despite substantial increased costs for labor, most raw materials, and many packaging materials. Higher interest charges for short-term borrowing also added to costs. While prices for some products were increased, these did not fully offset higher overall costs.

Earnings from foreign operations increased 10 percent over fiscal 1966, while domestic income declined approximately two percent. Domestic companies achieved greater gains in sales than foreign-based companies, however.



Comparison of Foreign and Domestic Sales and Earnings (In Thousands of Dollars)

	1967	1966	1965	1964
Net Sales	$690,863	$620,263	$556,267	$488,211
Foreign	333,440	305,073	275,996	250,684
% of Total	48.3	49.2	49.6	51.3
Domestic	357,423	315,190	280,271	237,527
% of Total	51.7	50.8	50.4	48.7
Net Income	21,530	20,304	19,219	14,549
Foreign	14,665	13,290	13,109	12,338
% of Total	68.1	65.5	68.2	84.8
Domestic	6,865	7,014	6,110	2,211
% of Total	31.9	34.5	31.8	15.2

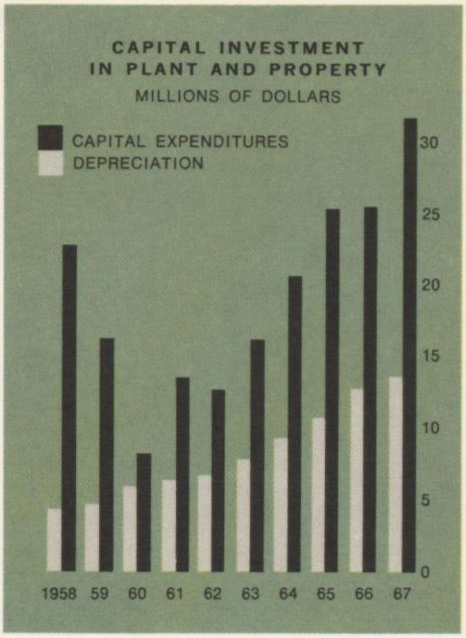


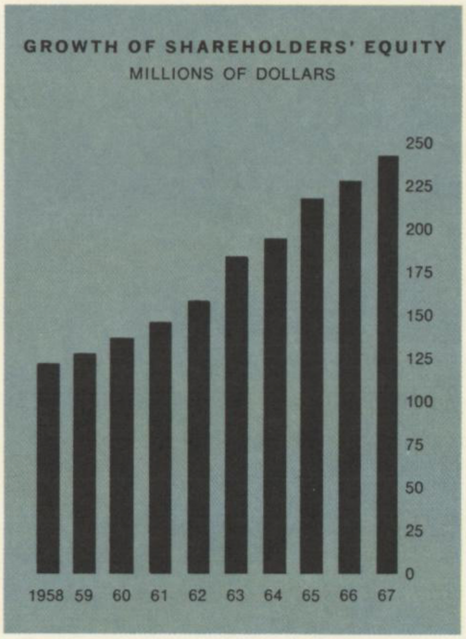
A decline in the net earnings of Ore-Ida Foods, Inc., was the principal factor in the reduction of consolidated net earnings of the domestic companies. Ore-Ida was adversely affected by an industry pricing and supply problem during the year.

Working capital decreased $3,319,894, primarily because of increased capital expenditures that were financed without incurring additional long-term debt. The Company spent a record $31,887,096 for additions to property, plant and equipment, an increase of approximately 25 percent over last year's expenditures of $25,548,937.

Total assets climbed to $501,280,819, an increase of $45,168,404 over the previous year. The increase reflects the year's capital expenditures and higher inventories. Net assets rose to $240,548,835, compared with $227,332,591 at the previous fiscal year end. Companies in the Eastern Hemisphere accounted for more than 58 percent of the increase.

After the close of the fiscal year, the Board of Directors increased the quarterly dividend on the Company's common stock from 30 cents to 32½ cents a share, effective with the July 10 payment to shareholders of record of June 19. The rate was last increased in fiscal 1966.





World Report
Marketing

Sales of All Major Product Lines Climb

Worldwide, Heinz scored sales advances in all of its major product categories during fiscal 1967.

In the United States sales of all Heinz product lines climbed, in some categories at rates faster than total markets for those products. Ketchup sales, for example, grew at more than four times the industry rate as the Heinz share of total volume rose to a new high. Heinz ketchup sales have increased 75 percent in three years, spurred in part by introduction of such new packages as the 12-ounce wide-mouth bottles and the 26-ounce Ketchup Lovers' size.

The company also captured a record share of the much-divided national pickle market, strengthening its leadership position. Sales of baby food increased in spite of the fact that the total number of births and the birth rate declined.

Soup volume reached an all-time high. The two principal reasons were Great American Soups and private label soups.

Ready-to-serve Great American Soups were expanded to 11 varieties during the year. Distribution of these premium soups was extended to areas representing 14 percent of U.S. population, where they substantially surpassed total Heinz soup sales records of past years. Plans are under way to broaden distribution.

Production of condensed soups for distribution under private labels devel-

Heinz-U.S.A. marketing team studies product shelf appearance.

oped favorably and permitted greater efficiency in our manufacturing scheduling and operations.

Heinz volume in the growing $14-billion-a-year institutional food service market showed another impressive advance. Since the realignment of IFS management three years ago, Heinz institutional food volume has increased more than 60 percent, well over double the growth rate of the industry.

The company is developing and implementing marketing programs that recognize the special nature of each product category. New product development is effectively stressing the extension of established lines. Heinz Barbecue Sauce (in two flavors and two sizes), vigorously promoted in a national campaign, was added to the company's line of sauces, and 11 new pickle varieties appeared. At present 109 new products are in various stages of development.

Star-Kist achieved record tuna sales in spite of the fact that industry volume slipped below last year's figures. Although the long-range effect of a papal decree liberalizing diet regulations cannot be fully determined at present, there has been no indication to date that it is having any adverse impact on tuna sales. A Star-Kist promotion that identifies tuna as "meat from the sea" has enjoyed a good response. Advertising expenditures were increased and were directed primarily to television, with emphasis on the children's market.

Lower prices for raw fish and heightened competitive pressures led to reduced prices for canned tuna. Star-Kist fish meal operations in Peru were affected by weaker world market prices. Heavy fish meal production in Norway contributed to an oversupply. Meanwhile, the Peruvian government ordered increases in payments to fishermen, and export taxes rose.

Star-Kist "9 Lives" cat food continues to lead a market growing at a rate of 15 percent annually. The company introduced two new varieties and more than doubled its advertising budget in this product category.

Ore-Ida sales held relatively stable in

Britons invited to enjoy "Souperday with Heinz."

New Italian company baby biscuit packaging features zoo theme.

Four new gourmet dinners by Heinz-Australia win final marketing approval.

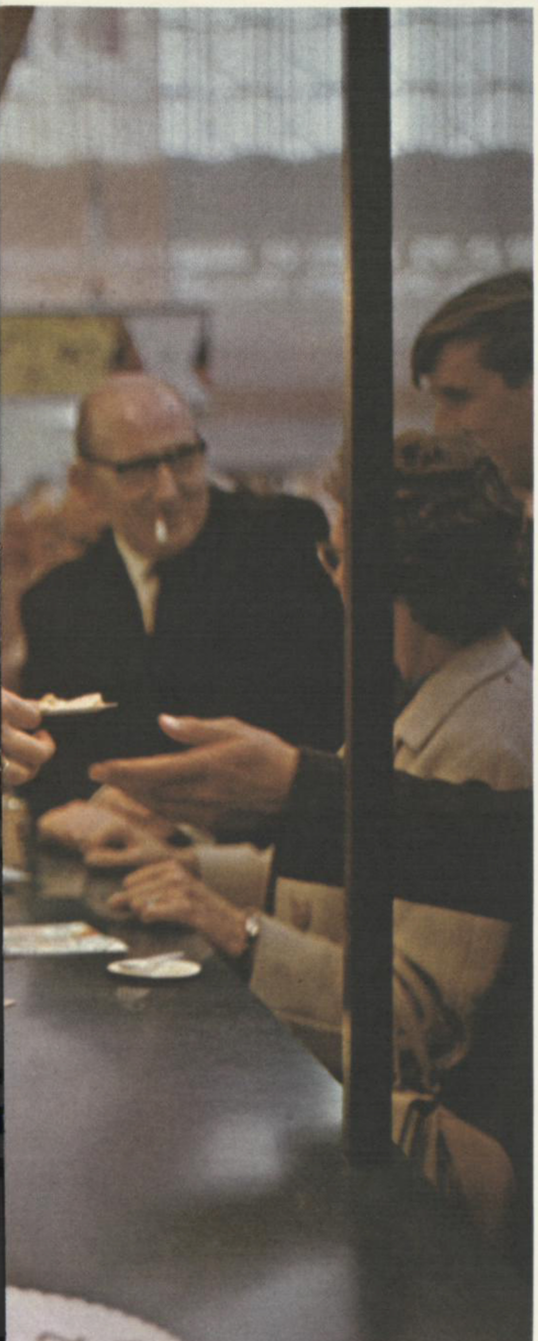
Great Beans Balloon Race, above, and other consumer contests sparked British company sales.

a year characterized by new competition and by weakening of the industry price structure due to oversupply. Two new frozen potato products were introduced during the year.

Sparked by aggressive consumer contests and heavy advertising support, the British company enlarged its already substantial lead in both soups and beans. Notable advances were scored in sales of spaghetti products and puddings. A new line of six Hot Snack Meals, launched in September on a regional basis, ranked as a significant marketing success. The company introduced a total of 23 new products.

Colorful ads promote Plasmon baby foods in Italy.

Sparkling new labels for Heinz-Mexico's "Del Fuerte" brand.



United Kingdom consumers given free samples of new and successful Hot Snack line.

In the wake of the worst tomato harvest in its history, the Canadian company could obtain little more than half of the fruit required to sustain sales of tomato products at past levels. And sales of baby food slipped along with total industry volume, although the company maintained its share of market.

The Australian company strengthened its dominant position in soup, baby food, baked beans and spaghetti, while total industry volume grew. In addition to offering five popular soups in a new "Family Size," the company added four varieties to its line of gourmet soups, four gourmet dinners, and eight new varieties in other product lines.

In Italy, Plasmon implemented aggressive marketing programs, ranging from special offers to new package design, that increased baby food sales. Five new baby food varieties were introduced during the year. Unlike most other Heinz companies, Plasmon placed most of its advertising in magazines, since the company could only buy its allocated amount of the limited commercial time available on Italian television.

New products in Venezuela contributed to significant sales gains and increased market shares. The company's new pasta sauces—developed because pasta has become a basic staple of the Venezuelan diet—won a substantial

Massive "Heinz Week" displays create excitement in Dutch supermarkets.

Tuna gets sales boost from Star-Kist displays.

share of this promising market. Outstanding product quality and new marketing techniques won greater consumer acceptance for Heinz ketchup and widened the gap between Heinz and its competitors. Advertising, primarily on television, focused on the company's four principal products: baby food, vegetable salads, ketchup and condensed soups. Six new varieties were introduced.

In Japan, Nichiro Heinz continued its efforts to develop still limited markets for canned soups and baby food. The company laid greatest stress on the regional introduction of a major new product—Golden Peas. Initial results substantiated projections that the variety will eventually account for an important part of total company sales. To complement its line of ready-to-serve soups, the company introduced 12 varieties of condensed soups in two sizes.

The Dutch company responded to growing competition from private label soups by entering the field itself when it began producing soups for one large chain. Addition of two new varieties in the company's most important product category—sandwich spreads—boosted sales of that line. Introduction of Hot Ketchup helped spark a substantial advance in ketchup sales.

In Mexico, Heinz Alimentos continued to consolidate product lines, eliminating low-margin varieties. It also initiated a number of new programs to reverse the losses of the last two years. It expanded its marketing activities, recruiting and training new marketing personnel. It boosted its advertising budget and implemented label design changes. The company posted promising sales gains for several products, most notably pineapple products, which enjoy a heavy volume of export sales.

Portugal expanded its facilities for producing tomato paste for both domestic and export use. A program was instituted to expand the domestic sale of other products.

New Golden American Peas get advertising send-off in Japan.

Heinz-U.S.A. institutional advertising.

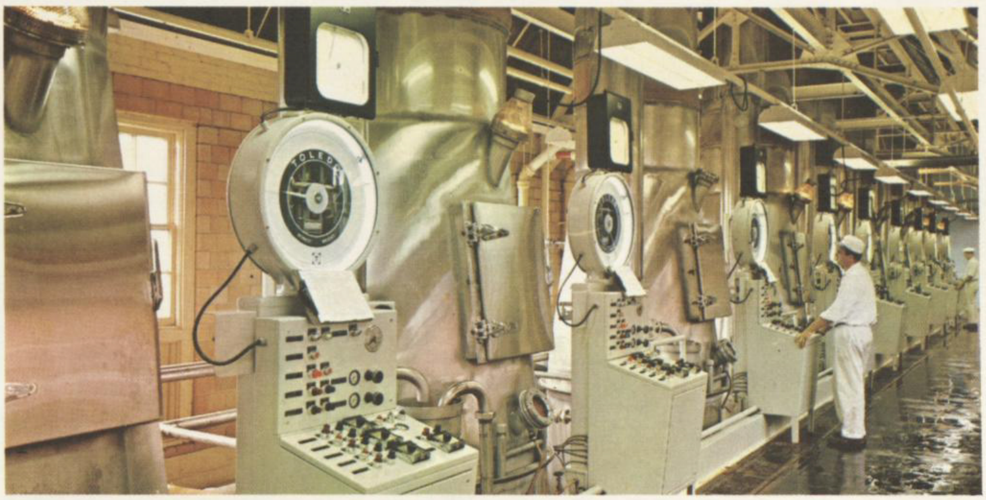
Two Additional Plants

Projecting further advances in demand for ketchup, Heinz-U.S.A. moved to increase its tomato processing capacity by nearly 50 percent. It purchased a 285,000-square-foot plant at Stockton, California, and began enlarging facilities at Tracy, California, and Fremont, Ohio. The new production lines will be put into operation this fall. Meanwhile, additional ketchup processing and packaging equipment was installed at three other plants.

The company's capital budget included allocations for new can-making equipment at several factories, additional facilities for the agricultural research center at Bowling Green, Ohio, purchase of mechanical harvesters for Michigan cucumber fields, and construction of an 82,000-square-foot warehouse in Fremont, Ohio.

Star-Kist spent sizable sums for additional fishing vessels, purchasing four anchovy boats while financing improvements and additions to the tuna fleet. The company also modernized unloading and processing facilities in Peru to strengthen its position in the highly competitive fish meal market. Productive capacity was increased for pet food at Terminal Island, California, and Puerto Rico.

Food and Drug Administration ap-



Heinz-U.S.A. ketchup factories—at peak capacity.

Cut fresh corn swirls toward ice storage warehouse at Ore-Ida.

Heinz ketchup rolled off U. S. production lines in record volume during the year.

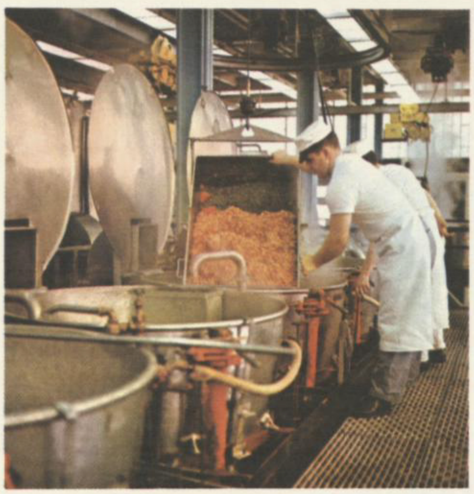
proval of fish protein concentrate for human consumption opens a new area of interest. Star-Kist is closely studying opportunities for commercial production of fish flour. Fish protein concentrate promises to help relieve hunger and malnutrition in many parts of the world.

Ore-Ida capital expenditures centered principally on development of Skyline Farms, Oregon, to assure adequate potato supplies while keeping costs in line. More than 240 million pounds of potatoes are being cultivated this summer on what, less than a year ago, was a 9,500-acre arid wasteland.

The British company took a different step toward a similar goal. It announced its first acquisition, J. G. Read Ltd., a poultry firm that had supplied much of its chicken meat needs. Expansion also came through establishment of a new enterprise. An Irish company—Heinz-Erin Ltd.—was formed in alliance with Erin Foods Ltd. of Dublin to market that company's products in the United Kingdom. Erin Foods, a government-backed company founded in 1963, makes air-dried and freeze-dried soups, vegetables and entrees. At the British company's three plants, sizable sums were spent for a variety of modernization and expansion programs.

In Italy construction plans for a new plant south of Rome proceeded on

California tomatoes by millions flow into Tracy factory.



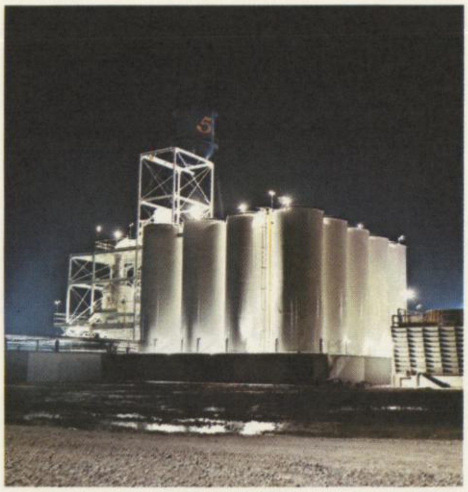
Heinz-U.S.A. soup kitchens operated at capacity during year.

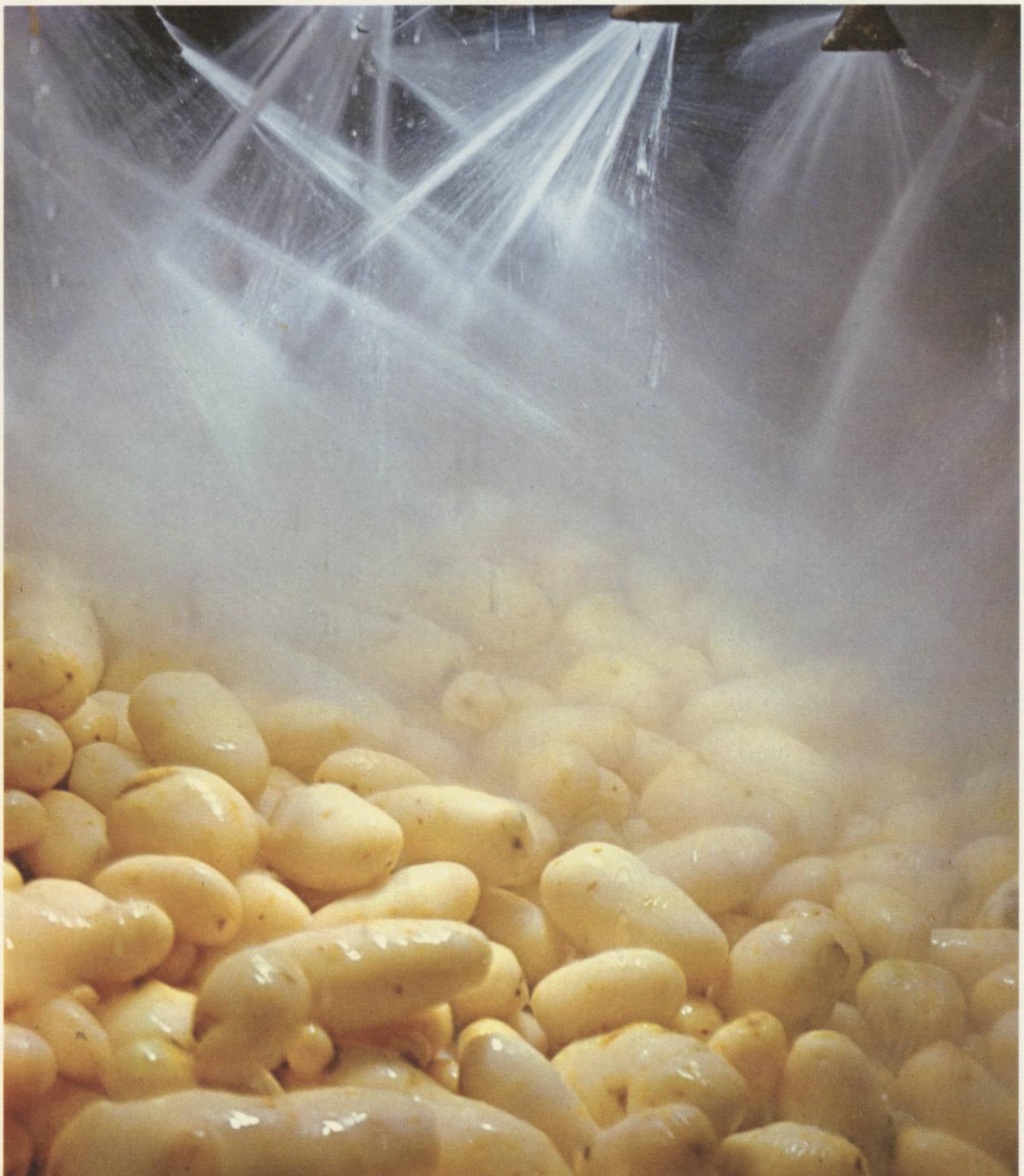
Fresh pickle stock enters salting vat at Holland, Michigan factory.

schedule. Upon completion in 1969 the facility will double Plasmon's productive capacity. At the Milan factory, new equipment was installed at several production stages to speed output and reduce costs.

Comparable improvements were made at factory locations in Australia and Mexico. The Australian company also enlarged warehouse space, while the Dutch company planned a similar expansion. The Venezuelan company increased its warehouse capacity by 50 percent.

After extensive negotiations in Japan, where general national policy limits foreign participation in joint ventures to 50 percent, Heinz won governmental approval to increase its ownership in Nichiro Heinz from 49 to 80 percent.


Night shot of advanced Heinz-U.S.A. tomato storage facilities.


Ore-Ida potatoes get final bath before specking and processing begin.

Prices Up Along with Demands

Heinz-U.S.A. continued to develop new sources of raw ingredients and new methods of improving crop yields. The geographical diversity of the company's operations and successful application of labor-saving equipment did not wholly offset adverse growing conditions in certain areas. Commodity prices generally rose in the face of unfavorable weather conditions and advancing farm costs. There were some price declines, however.

Frost, floods and droughts severely reduced the tomato crop east of the Mississippi River, but record crops for Heinz in California and limited imports from our Mexican and Portuguese affiliates assured an adequate supply in the United States. The yield per acre was 20 percent higher than the national average, and tomato tonnage from all sources reached an all-time high. Virtually the entire crop in California was harvested by mechanical means, and experiments toward introduction of mechanical harvesting in the East and Midwest were expanded. In the meantime, broadened conversion from baskets to bulk-type bins is cutting transportation costs.

The Heinz-U.S.A. cucumber supply reached record proportions, 46 percent higher than in the best previous year.

From barren wasteland to world's largest potato acreage in less than a year: Ore-Ida's Skyline Farms in Oregon.

New sources included increased supplies from Ohio and the South. As with tomatoes, bulk handling techniques speeded delivery from field to factory. Expansion of warm climate sources permitted a longer packing season.

After more than twenty years of research, Heinz-U.S.A. expects to harvest 20 percent of its 1967 cucumber tonnage with new machines. The development gives Heinz a significant headstart over the rest of the industry.

For the first time since the early days of the company, Heinz began farm operations in an effort to hold costs in line. It leased acreage in the South to grow tomato plants for subsequent cultivation in the East and Midwest. (While fields are seeded directly in California, weather conditions necessitate transplanting in the East and Midwest.) The project is expected to supply one-third of the company's requirements this year.

The British company, which purchases raw products from every quarter of the globe, continued to develop additional sources of supply. The company was able to obtain required tomato tonnages at budgeted price levels despite the worst harvest in Portugal in a decade.

The Mexican company intensified its efforts to improve pineapple quality and yield. It also launched the first phase of a cooperative research project aimed at entering the market for dehydrated vegetables.

Harvesters picked virtually all Heinz-U.S.A.'s record tomato crop in California last year.

New Varieties, New Processes

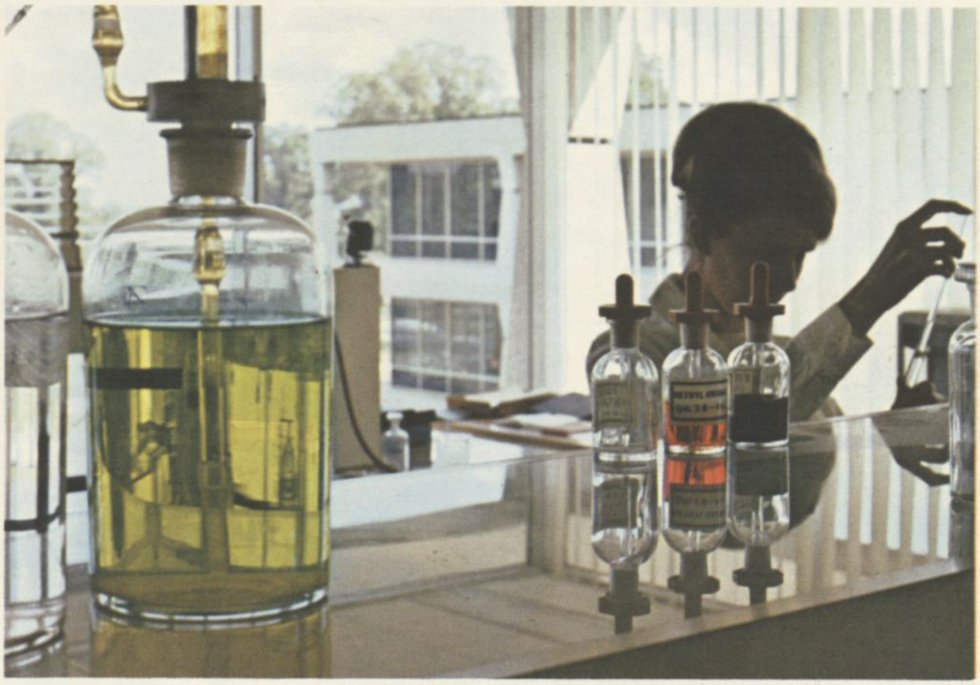
The transition to mechanical harvesting has required Heinz-U.S.A. to direct a major share of its domestic research efforts to the development of special tomato and cucumber varieties. Thus, the impending introduction of mechanical cucumber harvesters coincides with development of a new hybrid dwarf cucumber. Another aim of Heinz research is to develop a tomato variety that will allow direct seeding in the East and Midwest, which would accelerate implementation of mechanical harvesting.

Tomato and cucumber research programs have been expanded in California. More than 150 strains of tomatoes are being evaluated in an attempt to develop a fruit with a higher solids content. Success in this area will yield more bottles of ketchup from a given volume of tomatoes.

Field processing of tomatoes into puree before transfer to the factory proved practical in experiments on prime farmland near Bowling Green, Ohio. Because the shortened time for processing tomatoes into puree, quality was improved and operating efficiencies were realized.

Following earlier successes in bulk aseptic packing, considerable progress was made toward aseptic commercial packing of tomato products. The technique permits filling at lower temperatures, which improves quality, lengthens shelf life, and reduces manufacturing costs. Initial experiments to find uses for tomato waste also showed promise.

Another development bore immediate



Technician analyzes product ingredients to ensure purity.

Gas chromatograph in analytical laboratory evaluates ingredients and flavors.

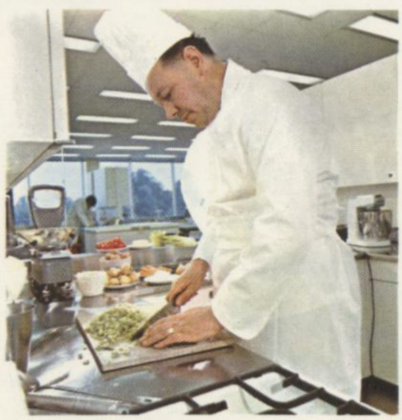
results. Conversion to a new method of soup processing improved product quality while affording production economies.

Ore-Ida advanced plans to install a pilot plant for basic and applied process research.

Research activities in Great Britain included programs to develop new products, packaging innovations, recipe improvements and modifications, and new processing techniques. In the packaging area alone, the company made 23 changes that are expected to effect cost reductions.

Other affiliated companies conducted more limited research activities related to their particular product lines. Where appropriate, they continued to apply the advances achieved elsewhere in the Heinz organization.

Microbiology laboratory test confirms purity of finished product.



Creation of new varieties is principal task of master chefs in experimental kitchens.

H. J. Heinz Company and Consolidated Subsidiaries

Summary of Changes in Working Capital

	Fiscal year ended May 3, 1967	Fiscal year ended April 27, 1966
Additions:		
Net income	$ 21,530,281	$ 20,303,895
Depreciation	13,645,525	12,946,828
Other charges to operations not requiring working capital	4,461,119	4,561,738
Total from operations	39,636,925	37,812,461
Deductions:		
Additions to plant and equipment	31,887,096	25,548,937
Less Retirements and disposals	2,694,612	2,698,704
	29,192,484	22,850,233
Amortization of long-term debt	4,940,174	4,659,857
Dividends paid	8,373,647	8,423,614
Other items, net	450,514	2,668,406
	42,956,819	38,602,110
Working capital decrease	$ 3,319,894	$ 789,649

See accompanying notes to financial statements.

H. J. Heinz Company and Consolidated Subsidiaries

Consolidated Balance Sheets

Assets

	May 3, 1967	April 27, 1966
Current assets:		
Cash and short-term investments	$ 16,343,647	$ 21,478,131
Accounts and notes receivable:		
Trade, less allowance for doubtful accounts	55,033,034	47,158,671
Sundry	5,824,723	5,001,536
	60,857,757	52,160,207
Inventories—at cost or market, whichever lower:		
Finished goods	137,793,741	125,336,671
Work in process	9,961,679	9,514,451
Ingredient and packaging materials	55,967,362	45,551,398
	203,722,782	180,402,520
Prepaid insurance, supplies, taxes and sundry	8,354,446	6,311,573
Total current assets	289,278,632	260,352,431
Investments and other assets:		
Investments in and advances to unconsolidated subsidiaries and partnerships (at approximate equity)	2,280,979	1,566,898
Other investments, advances and loans, less allowance for losses	3,531,375	4,715,861
Excess of investments in consolidated subsidiaries over net assets at acquisition	4,838,987	4,726,250
Miscellaneous other assets	3,193,609	3,013,304
	13,844,950	14,022,313
Fixed assets—at cost:		
Land	11,018,561	9,928,794
Buildings and leasehold improvements, less accumulated depreciation of $28,004,644 ($26,112,132 in 1966)	82,496,387	79,944,596
Equipment, boats and fixtures, less accumulated depreciation of $83,471,896 ($76,866,888 in 1966)	102,952,052	90,512,987
Lug boxes, baskets and pallets, less amortization	1,690,237	1,351,294
	198,157,237	181,737,671
	$ 501,280,819	$ 456,112,415

See accompanying notes to financial statements.

Liabilities, Capital Stock and Surplus

	May 3, 1967	April 27, 1966
Current liabilities:		
Notes payable and loans on open credit (including portion of long-term debt due within one year)	$ 77,043,734	$ 45,256,543
Accounts payable and accrued expenses	60,626,922	59,634,234
Estimated liability for Federal and foreign income taxes	10,927,477	11,461,261
Total current liabilities	148,598,133	116,352,038
Long-term debt and other liabilities:		
Long-term debt (Note 2)	65,594,240	70,534,414
Liabilities under management profit sharing plan, less portion payable within one year	15,656,605	14,212,846
Future Federal and foreign taxes on income	13,342,552	10,828,005
Sundry	1,635,709	886,767
	96,229,106	96,462,032
Reserve for possible foreign exchange losses	696,019	645,209
Minority interests	15,208,726	15,320,545
Capital stock and surplus:		
Cumulative preferred stock—authorized 147,372 shares—par value $100 per share—issuable in series:		
3.65% series—authorized 47,372 shares—outstanding 47,372 shares (Note 3)	4,737,200	4,737,200
Second cumulative preferred stock—authorized 399,689 shares—par value $18.50 per share—issuable in series:		
$3.50 first series—authorized 285,983 shares—outstanding 285,884 shares (286,084 shares in 1966) (Note 3)	5,288,854	5,292,554
$3.50 second series—authorized 111,951 shares—outstanding 103,009 shares (103,012 shares in 1966) (Notes 3 and 4)	1,905,667	1,905,722
Common stock—authorized 8,500,000 shares—par value $8.33⅓ per share—outstanding 5,701,219 shares (5,698,869 shares in 1966) (Note 4)	47,510,158	47,490,575
Capital surplus	8,933,779	8,889,997
Earned surplus (Note 2)	172,173,177	159,016,543
	240,548,835	227,332,591
	$ 501,280,819	$ 456,112,415

H. J. Heinz Company and Consolidated Subsidiaries

Statements of Consolidated Income

	Fiscal year ended May 3, 1967 (53 weeks)	Fiscal year ended April 27, 1966 (52 weeks)
Net sales	$ 690,863,071	$ 620,262,649
Cost of products sold	459,886,245	412,955,513
Gross profit	230,976,826	207,307,136
Selling, general and administrative expenses, including management profit-sharing plan of $3,364,240 ($3,125,872 in 1966)	188,227,627	168,202,042
Operating profit, after provision for depreciation of $13,645,525 ($12,946,828 in 1966)	42,749,199	39,105,094
Other income, net	2,407,593	2,165,921
	45,156,792	41,271,015
Interest and amortization of debt discount and expense	8,126,078	5,878,306
	37,030,714	35,392,709
Provision for Federal and foreign taxes on income	14,475,616	13,998,175
	22,555,098	21,394,534
Deduct Income applicable to minority interests	1,024,817	1,090,639
Net income for the year	$ 21,530,281	$ 20,303,895
Net income per share of common stock	$3.51	$3.29

See accompanying notes to financial statements.

H. J. Heinz Company and Consolidated Subsidiaries

Statements of Consolidated Surplus

	Fiscal year ended May 3, 1967	Fiscal year ended April 27, 1966
Capital Surplus		
Amount at beginning of year	$ 8,889,997	$ 8,571,462
Excess of par value over cost of cumulative preferred stock retired	—	137,840
Excess of option price over par value of 1,900 shares (6,742 shares in 1966) of common stock issued under employees' incentive stock option plan (Note 4)	36,062	137,275
Excess of redemption value over cost of preference stock retired (British subsidiary)	48,989	43,420
Additional costs of acquisition of subsidiaries "pooled" in prior years	(41,269)	—
Amount at end of year	8,933,779	8,889,997
Earned Surplus		
Amount at beginning of year	159,016,543	147,136,262
Add Net income for the year	21,530,281	20,303,895
	180,546,824	167,440,157
Deduct Dividends paid:		
On preferred stock:		
3.65% series	172,911	210,770
$3.50 series	1,361,850	1,151,210
	1,534,761	1,361,980
On common stock—$1.20 per share	6,838,886	6,607,108
	8,373,647	7,969,088
By "pooled" subsidiary to former shareholders	—	454,526
	8,373,647	8,423,614
Amount at end of year	$ 172,173,177	$ 159,016,543

See accompanying notes to financial statements.

Notes to Financial Statements

May 3, 1967

(1) Principles of consolidation:

The consolidated financial statements include the accounts of the Company and all significant domestic and foreign subsidiaries. Consolidated net assets were in companies located as follows:

	May 3, 1967	April 27, 1966
Western Hemisphere:		
United States and its possessions..	$107,617,385	$100,572,756
Other	34,050,919	35,603,374
	141,668,304	136,176,130
Eastern Hemisphere:		
British Commonwealth	79,507,946	75,355,474
Other	19,372,585	15,800,987
	98,880,531	91,156,461
	$240,548,835	$227,332,591

Assets and liabilities of the foreign subsidiaries have been converted at appropriate exchange rates. The realization in U. S. dollars of assets located outside the United States is limited in certain instances by currency and other restrictions. No provision has been made for U. S. income taxes which may become payable when earnings of foreign subsidiaries are remitted as dividends since, in the case of those subsidiaries where it is contemplated that earnings will be remitted, the credit for foreign taxes on income already paid generally offsets applicable U. S. income taxes. Operating accounts were converted at average rates of exchange prevailing during the fiscal year. The net unrealized gain on foreign exchange has been credited to the reserve for possible foreign exchange losses. Of the consolidated net income for the year, $14,664,844 originated from subsidiaries located outside the United States and its possessions and the income of the Company from dividends from such subsidiaries during the year amounted to $7,465,728.

(2) Long-term debt:

Details of long-term debt at May 3, 1967 are as follows:

	Interest per cent	Maturity (fiscal year)	Portion due Non-current	Current
Company:				
Promissory notes	2.90	1968-69	$ 2,400,000	$1,140,000
Promissory notes	4½	1970-74	17,000,000	—
Promissory notes	4⅞	1968-84	16,000,000	1,000,000
Subsidiaries:				
Promissory notes:				
(Australia)	4¼	1968-76	6,776,343	173,519
(Canada)	4½	1970-74	3,000,000	—
(Mexico)	4½	1968-72	2,240,000	640,800
(Mexico)	6	1969-76	4,000,000	—
(Venezuela)	9	1968-72	1,275,964	367,400
Debentures (England).	6	1968-84	5,289,529	86,618
Debentures (England).	5½	1968-85	5,327,097	15,932
Installment note (domestic)	4 to 5	1968-69	343,750	687,500
Mortgages and contracts (domestic) ..	5½ to 6½	1968-86	5,928,143	1,193,345
Sundry foreign obligations	2 to 5	1968-69	13,414	157,861
			69,594,240	5,462,975
Less—Certificate of Deposit (5¾%) representing equivalent cash deposited by a subsidiary as security against the 6% promissory note (Mexico) ...			4,000,000	—
			$65,594,240	$5,462,975

Under note agreements, dated April 1, 1959, relating to the issue of $20,000,000 of 4⅞% 25-year notes due April 1, 1984, fixed annual prepayments of principal of $1,000,000 are required. Additional prepayments may be made at the option of the Company at specified premium rates or, under specified conditions, at no premium. In addition to restrictions relating to additional indebtedness, mortgages and liens, purchase and redemption of capital stock and other restrictions, the note agreements contain provisions against the payment of dividends by the Company upon its common stock (otherwise than in its own capital stock) if such dividends, together with purchases,

Accountants' Report

The Shareholders, H. J. Heinz Company:

We have examined the consolidated balance sheet of H. J. Heinz Company and consolidated subsidiaries as of May 3, 1967 and the related statements of income and surplus for the fiscal year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The financial statements of certain subsidiaries, which are included in the consolidated statements, were examined by other independent public accountants whose reports have been furnished to us. Net assets and net sales of such subsidiaries constitute approximately 34% and 30%, respectively, of the related consolidated figures.

In our opinion, based on our examination and the aforementioned reports of other independent public accountants, the accompanying consolidated balance sheet and statements of consolidated income and surplus present fairly the financial position of H. J. Heinz Company and consolidated subsidiaries at May 3, 1967 and the results of their operations for the fiscal year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year. Also, in our opinion, the accompanying summary of changes in working capital presents fairly the information shown therein.

Peat, Marwick, Mitchell & Co.

Pittsburgh, Pa.
June 22, 1967

payments to the sinking fund and dividends in respect to presently authorized cumulative preferred stock and amounts expended by the Company or any subsidiary for purchase or other acquisitions of any class of the Company's stock, since October 29, 1958 would exceed consolidated net income after October 29, 1958 plus the sum of $7,500,000 and, further, if the sum of consolidated funded debt and consolidated discounted lease rentals would exceed fifty per cent of consolidated capital and surplus after giving effect to such dividend payments. The latter limitation is the more restrictive of the two; the approximate portion of consolidated earned surplus as of May 3, 1967 which was not thereby restricted was $43,700,000.

Under a loan agreement, dated August 1, 1963, the Company executed 4½% promissory notes payable in annual installments of varying amounts on September 1 of each year during the five-year period ending in 1973. Prepayments may be made under specified conditions without premium. The provisions of the loan agreement impose substantially the same restrictions as those pertaining to the 4⅞% 25-year notes.

The 2.90% notes, dated February 24, 1949, also contain various conditions which are less restrictive than those pertaining to the 4⅞% 25-year notes.

The 6% debentures, issued by the subsidiary located in England, contain provisions requiring annual sinking fund payments approximating $76,700 plus interest. Prepayment of the entire indebtedness, or a portion thereof, may be made on January 31, 1975 with a 3½% premium and at decreasing premium rates thereafter.

The 5½% debentures, issued by the subsidiary located in England, contain provisions requiring annual sinking fund payments approximating $80,600 plus interest. Prepayment of the entire indebtedness, or a portion thereof, may be made on January 31, 1976 with a 3½% premium and at decreasing premium rates thereafter.

(3) Capital stock:

The 3.65% series cumulative preferred stock is callable or redeemable through the sinking fund at $102.75 per share. A payment, not exceeding $200,000, is required to be made to the sinking fund on or before October 1 of each year.

The $3.50 first series second cumulative preferred stock is convertible into common stock at any time prior to June 1, 1973 at an initial conversion rate of 100/45 shares of common stock and may be redeemed by the Company from June 1, 1968 to and including May 31, 1969 at $102.50 per share and at decreasing prices thereafter. On or before August 1, 1973, and on or before each August 1 thereafter, so long as any shares of this series are outstanding, the Company (as and for an annual sinking fund) shall retire through redemption, purchase or otherwise, shares of this series equal to 2% of the total number of shares outstanding at the close of business on June 1, 1973. Cumulative arrearages as to such retirements are permissible in the event that consolidated net income, less certain deductions, is less than the amount necessary to pay in full all requirements to retire shares of all series of the second preferred stock.

The $3.50 second series second cumulative preferred stock is convertible into common stock at any time prior to February 1, 1976 at an initial conversion rate of two shares of common stock and may be redeemed by the Company from February 1, 1971 to and including January 31, 1972 at $102.50 per share and at decreasing prices thereafter. On or before April 1, 1976, and on or before each April 1 thereafter, so long as any shares of this series are outstanding, the Company (as and for an annual sinking fund) shall retire through redemption, purchase or otherwise, shares of this series equal to 2% of the total number of shares outstanding at the close of business on February 1, 1976. Cumulative arrearages as to such retirements are permissible to the same extent as that enumerated above regarding the $3.50 first series second cumulative preferred stock.

Upon involuntary liquidation, the holders of first and second series of the $3.50 second cumulative preferred stock are entitled to be paid in cash, subject to the prior rights of the holders of the 3.65% preferred stock, $100.00 per share ($38,889,300 based on shares outstanding at May 3, 1967).

At May 3, 1967, there were authorized, but unissued, 250,000 shares of third cumulative preferred stock of the par value of $100.00 per share.

(4) Employees' stock option plans and stock purchase warrant:

The qualified employees' incentive stock option plan, adopted in 1965, permits the granting of options on shares of common stock of the Company at not less than the fair market value at the time the options are granted. The options are exercisable at any time within five years from the date of grant but no later than July 9, 1975, the expiration date of the plan. During the fiscal year, options to purchase 10,500 shares were granted and no options were exercised. At May 3, 1967, options to purchase 10,500 shares at prices ranging from $33.75 to $35.50 per share were outstanding under this plan and 89,500 shares were reserved for the granting of additional options.

The original employees' incentive stock option plan, adopted in 1960 and amended in 1964, permits the granting of options on shares of common stock of the Company at not less than fair market value. With certain exceptions, the options are exercisable at any time prior to March 11, 1970, the expiration date of the plan. During the fiscal year, no options were granted, options for 7,500 shares were cancelled, and options for 1,900 shares were exercised at $27.31⅓ per share. At May 3, 1967, options to purchase 116,200 shares at prices ranging from $27.31⅓ to $50.60 per share were outstanding under this plan and 29,000 shares were reserved for the granting of additional options.

A stock purchase warrant, assumed by the Company in the acquisition of a subsidiary, provides for the acquisition by the warrant holder of 32,773 shares of common stock and 8,937 shares of $3.50 second series second cumulative preferred stock of the Company at an aggregate purchase price of $1,260,905 and is exercisable until October 15, 1970.

(5) Retirement systems:

The Company and its subsidiaries have several pension plans covering substantially all their employees, including certain employees in foreign countries. The total pension expense for the fiscal year was $2,870,759 which includes, as to certain plans, amortization of prior service costs over varying periods not exceeding twenty years. It is the policy of the Company and its subsidiaries to fund pension costs as accrued.

(6) Other matters:

Certain claims filed against the Company and certain of its subsidiaries have not been finally adjudicated. In the opinion of management, such claims, when finally determined, will have no adverse effect on the consolidated financial statements.

H. J. Heinz Company and Consolidated Subsidiaries

Ten-Year Financial Summary

Fiscal Years	1967	1966 (1)	1965 (1)	1964
Net sales	$690,863,071	$620,262,649	$556,267,082	$488,211,364
Income before taxes	37,030,714	35,392,709	34,711,424	28,751,403
Provision for taxes on income	14,475,616	13,998,175	14,370,104	13,136,953
Net income:	21,530,281	20,303,895	19,219,419	14,548,838
As % of sales	3.1	3.3	3.5	3.0
Per share of common stock(4)	3.51	3.29	3.10	2.53
As % of shareholders' equity	9.0	8.9	8.9	7.5
Dividends paid on preferred stock	1,534,761	1,361,980	1,229,020	1,157,480
Dividends paid on common stock	6,838,886	7,061,634(2)	6,072,868(3)	5,276,176
Per share of common stock(4)	1.20	1.20	1.00	1.00
Net income retained in business	13,156,634	11,880,281	11,917,531	8,115,182
Per share of common stock(4)	2.31	2.09	2.10	1.53
Current assets	289,278,632	260,352,431	231,748,929	210,389,728
Current liabilities	148,598,133	116,352,038	86,958,887	72,826,020
Current ratio	1.9	2.2	2.7	2.9
Working capital	140,680,499	144,000,393	144,790,042	137,563,708
Property, plant and equipment (net)	198,157,237	181,737,671	172,638,788	145,551,528
Depreciation provision	13,645,525	12,946,828	10,520,826	9,179,043
Accumulated depreciation	111,476,540	102,979,020	92,410,127	79,586,502
Additions to property, plant and equipment	31,887,096	25,548,937	25,461,198	20,508,617
Total assets	501,280,819	456,112,415	417,899,839	369,755,097
Shareholders' equity	240,548,835	227,332,591	216,440,598	193,687,215
Per share of common stock(4)(5)	34.54	32.23	30.12	30.03
Number of shareholders:				
Preferred	2,356	2,468	569	568
Common	10,767	10,658	8,156	6,983
Common shares outstanding(4)	5,701,219	5,698,869	5,692,110	5,286,296

(1) 1965 and 1966 figures include, on pooling of interest basis, Ore-Ida Foods, Inc., acquired in October, 1965.
(2) Includes $454,526 paid to former owners of Ore-Ida Foods, Inc.
(3) Includes $623,467 stock and $147,639 cash paid to former owners of Ore-Ida Foods, Inc.
(4) Adjustments have been made for 1960 and prior years to give effect to the 3-for-1 stock split of February, 1961.
(5) After deducting $100 per share for second cumulative preferred stock outstanding, representing the involuntary liquidation price.

1963	1962	1961	1960	1959	1958
$464,215,226	$375,810,168	$365,989,576	$340,223,700	$316,856,669	$293,811,817
25,700,714	32,643,920	29,092,171	26,261,279	21,967,446	18,345,771
12,550,516	17,645,359	14,683,525	13,209,540	10,139,971	8,345,756
12,364,429	14,165,806	13,614,681	12,287,815	11,010,781	9,221,267
2.7	3.8	3.7	3.6	3.5	3.1
2.31	2.65	2.62	2.37	2.12	1.76
6.7	8.9	9.3	9.0	8.6	7.6
237,491	237,747	255,376	270,265	274,338	282,413
5,255,880	5,209,292	4,404,727	3,715,573	3,715,573	3,715,573
1.00	1.00	.86⅔	.73⅓	.73⅓	.73⅓
6,871,058	8,718,767	8,954,578	8,301,977	7,020,870	5,223,281
1.31	1.65	1.75⅓	1.63⅔	1.38⅔	1.02⅔
196,398,764	164,522,552	158,894,699	150,229,632	132,087,694	126,474,153
65,808,427	44,809,303	44,887,915	44,701,708	46,366,393	52,785,029
3.0	3.7	3.5	3.4	2.8	2.4
130,590,337	119,713,249	114,006,784	105,527,924	85,721,301	73,689,124
130,826,396	118,124,207	111,727,306	106,137,572	104,629,492	94,222,513
7,924,808	6,573,823	6,275,722	5,810,097	4,608,328	4,335,838
71,716,146	61,845,652	56,045,151	51,342,264	46,546,919	42,954,353
16,134,932	12,849,938	13,524,175	8,296,246	16,236,413	22,982,467
336,281,820	285,090,713	272,224,427	257,157,640	237,707,872	221,464,648
184,875,803	158,996,200	145,789,279	136,258,966	128,162,403	121,141,533
28.48	29.04	27.27	25.46	23.81	22.43
590	515	528	547	558	545
6,406	6,401	5,881	4,827	4,812	4,516
5,258,130	5,251,130	5,098,580	5,066,691	5,066,691	5,066,691

Directors and Officers

Heinz Executive Committee, left to right: Ralph W. Hunter, secretary, Junius F. Allen, R. Burt Gookin, Henry J. Heinz II, Frank Armour, Jr., and William D. Mewhort.

Board of Directors

Henry J. Heinz II
Chairman

R. Burt Gookin
President
and Chief Executive Officer

Frank Armour, Jr.
Vice Chairman

Junius F. Allen
Executive Vice President-International

Joseph J. Bogdanovich
President, Star-Kist Foods, Inc.

Frederick G. Crabb
Senior Vice President-Europe and
Vice Chairman, H. J. Heinz Company Ltd.

Norman E. Daniels
Executive Vice President-United States

F. Nephi Grigg
President, Ore-Ida Foods, Inc.

Vira I. Heinz
Civic Leader and Trustee,
Howard Heinz Endowment

Ralph W. Hunter
Secretary

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Vice Chairman of the Board,
Bankers Trust Company
New York, New York

John A. Mayer
Chairman of the Board,
Mellon National Bank and Trust Company
Pittsburgh, Pennsylvania

William D. Mewhort
Executive Vice President-Finance and Treasurer

John T. Ryan, Jr.
Chairman of the Board,
Mine Safety Appliances Co.
Pittsburgh, Pennsylvania

William P. Snyder III
President, The Shenango Furnace Company
Pittsburgh, Pennsylvania

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Chairman of the Board

R. Burt Gookin
President and Chief Executive Officer

Frank Armour, Jr.
Vice Chairman of the Board

Junius F. Allen
Executive Vice President-International

William D. Mewhort
Executive Vice President-Finance and Treasurer

Frederick G. Crabb
Senior Vice President-Europe
and Vice Chairman, H. J. Heinz Company Ltd.

Ralph W. Hunter
Secretary

Gerald K. Warner
Vice President-Latin America

Frank M. Brettholle
Senior Vice President and Controller

Donald C McVay
Senior Vice President-Corporate Development

P. Kenneth Shoemaker
Senior Vice President

Registrars

Morgan Guaranty Trust Company of New York,
New York

Pittsburgh National Bank
Pittsburgh, Pennsylvania

Transfer Agents

First National City Bank, New York, New York

Mellon National Bank and Trust Company
Pittsburgh, Pennsylvania

Dividend Disbursing Agent

Mellon National Bank and Trust Company
Pittsburgh, Pennsylvania

International Locations

Corporate Headquarters
P. O. Box 57, Pittsburgh, Pennsylvania 15230

United States
H. J. Heinz Company
Headquarters: Pittsburgh, Pennsylvania
Norman E. Daniels, Executive Vice President
Factories:
Pittsburgh, Pennsylvania
Salem, New Jersey
Medina, New York
Chambersburg, Pennsylvania
Winchester, Virginia
Fremont, Ohio
Bowling Green, Ohio
Holland, Michigan
Lakeview, Michigan
Muscatine, Iowa
Tracy, California
Isleton, California
Watsonville, California
Stockton, California

Ore-Ida Foods, Inc.
Headquarters: Ontario, Oregon
F. Nephi Grigg, President
Factories:
Ontario, Oregon
Burley, Idaho
Greenville, Michigan

Star-Kist Foods, Inc.
Headquarters: Terminal Island, California
Joseph J. Bogdanovich, President
Factories:
Terminal Island, California
Ilo, Peru
Coishco, Peru
Pago Pago, American Samoa
Mayaguez, Puerto Rico
Cold Storage Stations:
Senegal
Ghana
Liberia
Republic of the Congo

Hachmeister
Headquarters: McKees Rocks, Pennsylvania
Harvey L. Dunker, President
Factory:
McKees Rocks, Pennsylvania

Great Britain
H. J. Heinz Company, Ltd.
Headquarters: Hayes Park, Middlesex
Anthony Beresford, Managing Director
Factories:
Harlesden
Kitt Green
Standish

Heinz International Sales, Ltd.
Headquarters: Harlesden, London, England
John U. Lamont, Managing Director

J. G. Read (Poultry) Ltd.
Headquarters: Halnaker, Chichester, Sussex
John G. Read, Managing Director
Factory:
Halnaker

Heinz-Erin Limited
Headquarters: Dublin

Canada
H. J. Heinz Company of Canada, Ltd.
Headquarters: Leamington, Ontario
John A. Connell, President
Factory:
Leamington, Ontario

Australia
H. J. Heinz Company Australia Ltd.
Headquarters: Dandenong, Victoria
Fred V. Kellow, Managing Director
Factory:
Dandenong, Victoria

Netherlands
H. J. Heinz N. V.
Headquarters: Elst, Gelderland
Arnold A. Reuvekamp, Managing Director
Factory:
Elst, Gelderland

Belgium
H. J. Heinz Company (Belgium) N.V.
Headquarters: Brussels
Paul de Vreese, General Manager

Portugal
Industrias de Alimentaceo, Limitada
Headquarters: Vila Franca de Xira
Jorge Giralt, General Manager
Factories:
Vila Franca de Xira
Benavente

Venezuela
Alimentos Heinz C.A.
Headquarters: Valencia, Carabobo
George O. Myers, President
Factory:
San Joaquin, Carabobo

Japan
Nichiro Heinz Company Ltd.
Headquarters: Tokyo
Albert F. Margus, President
Factory:
Kurihama

Italy
Societa del Plasmon S.P.A.
Headquarters: Milan
Oscar A. Pio, Managing Director
Factory:
Milan

Mexico
Heinz Alimentos S.A. de C.V.
Headquarters: Mexico City, Mexico
Gerald K. Warner, President
Factories:
Villa R. Lara, Grajales, Puebla
Salamanca, Guanajuato
Los Robles, Veracruz
Loma Bonita, Oaxaco
Los Mochis, Sinaloa

In 1889 Heinz made its first appearance at an international fair—the Paris Exposition. The Company has been a frequent fairgoer ever since. At Montreal's Expo 67, Heinz of Canada sponsors the International Scout Center, which features exhibitions of scouting skills, sports and campcraft. It is a particularly appropriate pavilion for Heinz. Like scouting and Expo itself, Heinz too is international.

H. J. HEINZ COMPANY ANNUAL REPORT 1967

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